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13 Proposed Attorneys for The Roman Catholic
14 Archbishop of San Francisco

15 UNITED STATES BANKRUPTCY COURT

16 NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

17
18 In re
19 THE ROMAN CATHOLIC ARCHBISHOP
OF SAN FRANCISCO,

20 Debtor and
21 Debtor in Possession.

Case No. 23-30564

Chapter 11

**DECLARATION OF PAUL E. GASPARI
IN SUPPORT OF CHAPTER 11
PETITION AND DEBTOR'S
EMERGENCY MOTIONS**

Date: August 24, 2023
Time: 1:30 p.m.
Via ZoomGov

Judge: Hon. Dennis Montali

1 I, Paul E. Gaspari, hereby declare under penalty of perjury as follows:

2 1. I am an attorney duly licensed to practice law in the State of California and a
3 shareholder with Weintraub Tobin Chediak Coleman & Grodin ("Weintraub"), proposed special
4 corporate and litigation counsel for The Roman Catholic Archbishop of San Francisco, the Debtor
5 and Debtor in Possession herein (the "Debtor" or "RCASF"). I have been an attorney licensed to
6 practice in California since 1977. If called as a witness, I would and could testify competently to
7 the matters stated herein.

8 2. Weintraub is counsel of record for the RCASF in the pending joint coordinated
9 proceeding in Alameda Superior Court ("JCP 5108"), where all complaints against northern
10 California diocesan entities are being jointly administered before Judge Evelio Grillo, including
11 complaints filed against the RCASF. I and my partner Daniel Zamora have been appointed
12 Institutional Defense Liaison Counsel in JCCP 5108. The Tobin & Tobin firm, of which I was
13 partner, prior to merger with Weintraub, has acted as counsel for the RCASF since approximately
14 1860. I have represented the RCASF personally since approximately 1986.

15 3. All facts set forth in this Declaration are based on my personal knowledge, upon
16 information supplied to me by people who report to me, upon information supplied to me by
17 RCASF, upon my review of relevant documents, or upon my opinion based on my experience and
18 knowledge with respect to RCASF's operations and past and current litigation status. If I were
19 called upon to testify, I could and would testify competently to the facts set forth herein.

20 4. In the past 20 years, the RCASF and its insurers have paid more than \$70 million in
21 legal settlements, in an effort to fulfill the RCASF's responsibility for abuse of minors by
22 archdiocesan clergy.

23 5. On behalf of the RCASF, I have defended the RCASF in clergy abuse litigation since
24 at least 1988, including in and around 2003, when the statute of limitations was first opened for a
25 one-year window ("Clergy III"). I was appointed Defense Liaison Counsel in the Clergy III
26 coordinated proceeding. At that time, the RCASF defended approximately 100 cases, which were
27 resolved through trial and mediation. Through the years since 2003, I have continued to defend the
28 RCASF in clergy abuse litigation.

1 6. In addition to my services in defending the RCASF against abuse claims, Weintraub
2 also has represented the RCASF in various other, non-abuse matters, including several employment
3 related cases. Also, as part of the services our firm provides to the RCASF, from time to time I
4 advise the RCASF on general legal matters.

5 7. In January 2020, California again re-opened the statute of limitations for child sexual
6 abuse claims via AB 218 (California Code of Civil Procedure section 340.1) and revived claims
7 previously barred by the statute of limitations. The statutory amendment created a three-year
8 window in which previously barred claims of child sexual abuse could be filed. Additionally, the
9 new law also expands the statute of limitations for claimants to bring claims of child sexual abuse
10 to age 40 or until five years from the time that a claimant became aware of his/her injury, whichever
11 comes later.

12 8. I am aware that Assembly Bill 452 has recently been introduced into the California
13 legislature that seeks to eliminate the statute of limitations entirely, leaving the RCASF vulnerable
14 to potential abuse lawsuits forever.

15 9. I am informed and believe that approximately 537 complaints have been filed in the
16 JCP 5108 proceeding against the RCASF in Alameda Superior Court, although we may not have
17 been served with all of the complaints.

18 10. Several AB 218 complaints filed against the RCASF in the JCP 5108 proceeding
19 have also named other defendants in addition to the RCASF. These co-defendants include Catholic
20 Charities CYO of the Archdiocese of San Francisco, the Roman Catholic Seminary of San Francisco
21 aka St. Patrick's Seminary, Parishes and Schools. Under principles of equitable indemnity, the
22 RCASF has defended those entities against such claims.

23 11. It is the RCASF's position that the automatic stay extends to stay all litigation against
24 the RCASF and the above referenced co-defendants. These co-defendants are, for the most part,
25 covered by the same insurance applicable to the RCASF, so any incurring of defense costs or
26 payment of settlements by the related entities with those mutual insurance assets also will impact
27 the insurance coverage available to settle claims filed against the RCASF. The representation of
28 the co-defendants in the abuse claims litigation may continue to be necessary post-filing of

1 bankruptcy, unless the plaintiffs' counsel will stipulate, or the court orders, that the litigation against
2 those co-defendants also is stayed.

3 12. The coordinated proceeding judge, Judge Grillo, has selected two cases for trial that
4 are pending against the RCASF. These cases have been ordered remanded to San Francisco County
5 Superior Court for trial on August 23, 2023. Mediation occurred on July 11, 2023, at which time
6 the parties were unable to settle the cases.

7 13. Judge Grillo also has set two other cases against the RCASF for trial, which we
8 expect to be scheduled for late 2023 or early 2024. Judge Grillo also has stated in his orders the
9 intention to set many more cases for trial soon, in order to get all cases pending in JCP 5108 tried
10 within five years of the filing date.

11 14. Weintraub and the RCASF have undertaken to review all the AB 218 claims as best
12 as possible given the limited information available. The AB 218 claims of alleged abuse are all
13 historical claims to our knowledge. The dates of alleged abuse range from the 1950s to
14 approximately 2008. Nearly one half of the AB 218 claims involve clergy members who were
15 previously accused in *Clergy III* dating back in 2003 and/or clergy members long since deceased.

16 15. Weintraub has assisted the RCASF in investigating and taking action as to any
17 credible allegation of abuse. We are reviewing all of the information currently available regarding
18 the 537 lawsuits under existing protocols to determine what action must be taken with respect to
19 any allegations involving living clergy in service at this time. Some of the AB 218 cases involve
20 clerics for whom the RCASF had no supervisory responsibility (e.g., Christian Brothers or Jesuits),
21 or employees of religious orders only, for whom the RCASF had no supervisory duty.

22 16. Based on its experience in past situations, the RCASF expects the initial demands to
23 be more than \$2 million per claim, not including if punitive damages are sought in some cases.
24 Based on these demands, the RCASF's total exposure likely could exceed its available assets,
25 depending on available insurance. Thus, in my view, this avalanche of lawsuits puts the RCASF in
26 immediate financial distress and in need of a forum to resolve these claims while continuing to serve
27 the faithful and those in need.

28 17. I understand the Bankruptcy Court provides a forum and the Bankruptcy Code

1 provides a mechanism whereby all the claims can be determined and paid on a fair and equitable
2 basis and ensures that all claimants with similarly situated claims are essentially treated the same.
3 In my view, the RCASF requires the Bankruptcy Court's immediate protection and the protection
4 of the bankruptcy laws to make fair and equitable payment of the claims against it, including the
5 survivors of abuse, trade creditors, and others.

6 I declare under penalty of perjury that the foregoing is true and correct. Executed on August
7 __, 2023, at San Francisco, California.

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Paul E. Gaspari